

EMERGENCY MANAGER OF THE CITY OF ECORSE

ORDER OF THE EMERGENCY MANAGER OF THE CITY OF ECORSE, COUNTY OF WAYNE, STATE OF MICHIGAN, TO ENTER INTO THE AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25th DISTRICT COURT.

(Order and Directive No. 074)

WHEREAS, under the Local Government and School District Fiscal Accountability Act, Act 4, Public Acts of Michigan, 2011, as amended ("Act 4") and a Contract (the "Contract") between the State of Michigan and Joyce A. Parker, dated October 30, 2009, Joyce A. Parker has been appointed as the Emergency Manager (the "EM") of the City of Ecorse, County of Wayne, Michigan (the "City") and charged with the power and authority to take all actions necessary to develop and implement financial and operational plans to regulate expenditures, investments and the provision of services for the City of Ecorse in conformity with and using the powers set forth in Act 4; and

WHEREAS, pursuant to Public Act 4 of 2011, Section 19 (1) (g) an Emergency Manager has the power and authority to make, approve, or disapprove any appropriation, contract, expenditure, or loan, for and on behalf of the local government;

WHEREAS, pursuant to Public Act 4 of 2011, Section 19 (1) (ee) the power of an emergency manager is superior to and supersedes the power of any officer or employee whether elected or appointed and, therefore, allows the Emergency Manager to exercise the power and authority of any elected or appointed position, including the elected positions of the governing body, to properly accomplish the work of the municipality;

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (11), the Twenty-Sixth District Court, which consists of the political subdivisions of Ecorse and River Rouge, is abolished effective April 1, 2012; and

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (10), beginning April 1, 2012, the Twenty-Fifth District Court shall consist of the political subdivisions of Ecorse, Lincoln Park, and River Rouge and increase the number of its judges by one to provide for 2 judges for the Twenty-Fifth District, with the additional judgeship filled by the incumbent judge of the twenty-sixth District, who shall become a judge of the Twenty-Fifth District Court for the balance of the term to which he was elected; and

WHEREAS, the Ecorse and the other two cities desire an orderly transition for the effective and efficient provision of District Court services and, therefore, have set forth certain agreed upon components for the management and operation of the 25th District Court during an April 1, 2012 to July 1, 2013 transition time period in a legally binding agreement entitled, AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25th DISTRICT COURT; and

WHEREAS, Section 2 of Act 35 of the Public Acts of 1951, specifically MCL 124.2 states "any municipal corporation shall have power to join with any other municipal corporation, or with any number or combination thereof by contract, or otherwise as may be permitted by law, for the ownership, operation, or performance, jointly, or by any 1 or more on behalf of all, of any property, facility or service which each would have the power to own, operate or perform separately", providing the Cities with the legal authority to enter into this Agreement; and

WHEREAS, Ecorse further recognizes Act 154 of the Public Acts of 1968, as amended, Act 374 of the Public Acts of 1996, as amended, as well as Administrative Order No. 1997-6 and any subsequent amendments thereto, as legal authority to enter into such an Agreement for the purposes so stated, including but not limited to the operation, management of the Twenty-Fifth District Court and distributions to the Cities of generated revenues;

WHEREAS, Michigan State Senate Bill No. 7 and specifically PA 152 of 2011, known as the Publicly Funded Health Insurance Contribution Act (Act), was enacted into law September 27, 2011 with its stated purpose being to "limit public employer's expenditures for employee medical benefit plans; ... to provide for exceptions; and to provide for sanctions."

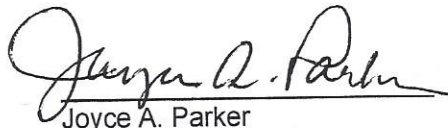
WHEREAS, after careful consideration, the City of Ecorse has determined that to enter into the AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25th DISTRICT COURT is in the best interests of the City of Ecorse;

WHEREAS, this Directive and Order is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in Public Act 4 of 2011, the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager and, additionally, is considered necessary to implement the City of Ecorse's financial plan.

THEREFORE, BE IT RESOLVED, IT IS HEREBY ORDERED BY THE EMERGENCY MANAGER OF THE CITY OF ECORSE, PURSUANT TO PUBLIC ACT 4 of 2011 AND THE CONTRACT, THAT:

1. The City of Ecorse, on this day, hereby enters into the attached AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25th DISTRICT COURT with the affixed signature of the Emergency Manager.
2. Repeal. All orders of the Emergency Manager, resolutions of the City Council of the City and parts of resolutions or orders in conflict with this Order are hereby repealed to the extent of such conflict.

IS SO ORDERED this 12th day of March, 2012.



Joyce A. Parker
Emergency Manager
City of Ecorse

AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25TH DISTRICT COURT

This Agreement, entered into on the 12th day of March, 2012 by and between the Cities of Ecorse, Lincoln Park and River Rouge, hereinafter collectively called the "Cities", is for the purpose of putting in place certain terms and conditions for the management and operational transition of the 25th District Court as set forth below.

RECITALS

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (11), the Twenty-Sixth District Court, which consists of the political subdivisions of Ecorse and River Rouge, is abolished effective April 1, 2012; and

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (10), beginning April 1, 2012, the Twenty-Fifth District Court shall consist of the political subdivisions of Ecorse, Lincoln Park, and River Rouge and increase the number of its judges by one to provide for 2 judges for the Twenty-Fifth District, with the additional judgeship filled by the incumbent judge of the twenty-sixth District, who shall become a judge of the Twenty-Fifth District Court for the balance of the term to which he was elected; and

WHEREAS, the Cities desire an orderly transition for the effective and efficient provision of District Court services and, therefore, wish to set forth certain agreed upon components for the management and operation of the 25th District Court during an April 1, 2012 to July 1, 2013 transition time period; and

WHEREAS, Section 2 of Act 35 of the Public Acts of 1951, specifically MCL 124.2 states "any municipal corporation shall have power to join with any other municipal corporation, or with any number or combination thereof by contract, or otherwise as may be permitted by law, for the ownership, operation, or performance, jointly, or by any 1 or more on behalf of all, of any property, facility or service which each would have the power to own, operate or perform separately", providing the Cities with the legal authority to enter into this Agreement; and

WHEREAS, the Cities further recognize Act 154 of the Public Acts of 1968, as amended, Act 374 of the Public Acts of 1996, as amended, as well as Administrative Order No. 1997-6 and any subsequent amendments thereto, as legal authority to enter

into this Agreement for the purposes so stated, including but not limited to the operation, management of the Twenty-Fifth District Court and distributions to the Cities of generated revenues.

NOW, THEREFORE, THE PARTIES TO THIS AGREEMENT, for good and valuable consideration, hereby covenant, promise and otherwise agree as follows:

I TERM OF AGREEMENT

A. Term Of Transition. There shall be a term or period of transition that shall begin on April 1, 2012 and continue until its termination at midnight on June 30, 2013 for the purpose of effectively and efficiently addressing all administrative and operational issues inherent in consolidating the above identified political subdivisions or Cities into the existing Twenty-Fifth District Court ("25th District Court") in Lincoln Park, Michigan. This Agreement sets forth the terms and conditions of the operation and management of the 25th District Court during the term of transition and shall govern the Cities' actions concerning said operation and management of 25th District Court through June 30, 2013.

B. Successor Agreement. A Successor Agreement shall be drafted by representatives to the 25th District Court Management Council as set forth below. After review, revisions, modifications and final approval of the Successor Agreement by the Council, said Successor Agreement shall be approved by Emergency Manager(s) or an affirmative majority vote of each respective City by no later than June 15, 2013. The Successor Agreement shall be effective beginning July 1, 2013 and govern the operation and management of the 25th District Court.

II ADMINISTRATION

A. Establishment of "25th District Court Management Council". There is hereby established the "**25th District Court Management Council**" (the "Council") which is comprised of the Chief Judge, Incumbent Judge, and one representative from each City to this Agreement, generally, the Mayor, Emergency Manager or his/her Designee. The Council shall have the responsibility of reviewing all financial matters related to the operation of the 25th District Court, including but not limited to the annual budget request, revenue projections, anticipated expenditures for management, operation and maintenance of said Court system, personnel, Court facilities and other related costs, and make recommendations thereon. The meetings of the Council shall be held in compliance with the Open Meetings Act.

B. Chief Judge Prepares Annual Budget for Review and Recommendation by Council.

1. Two (2) budgets shall be prepared for the 2012 – 2013 fiscal year for the 25th District Court as follows:

- The Incumbent Judge of the 25th District Court shall prepare a 2012 – 2013 budget for the approval of the Lincoln Park funding unit reflecting only the District Court operations to be conducted at the Lincoln Park site during the term of transition. Operation of the Lincoln Park Court site shall not exceed approved budgeted expenditures.
 - The Incumbent Judge from the 26th District Court shall prepare a 2012 – 2013 budget for the approval of the Ecorse and River Rouge funding units reflecting only the Division 1 District Court operations to be conducted at the Ecorse site during the term of transition. Operation of the Ecorse, Division 1 Court site shall not exceed approved budgeted expenditures.
2. Effective beginning with the 2013 – 2014 fiscal year, the Chief Judge of the 25th District Court shall prepare an annual budget (the “Budget”) in line item detail and submit it to the Council with sufficient time for the Council to meaningfully review and recommend deletions, additions, clarifications, revisions and other modifications, if any.
 3. Upon completion of the Council’s review and recommended revisions, if any, the Council shall approve the 2013 – 2014 Budget as submitted or as revised by the Council. Thereafter, the Budget shall be submitted to the individual Cities for their respective approvals as part of their local budgets. An affirmative majority vote of each City shall be required to adopt and/or modify any submitted Budget.
- C. Frequency of Council Meetings.** The Council shall meet as often as is necessary but no less than on a quarterly basis in any given year. The Council, in its first meeting to be held within ninety (90) days of the execution of this Agreement shall set the schedule of meetings for the year.
- D. Successor Agreement.** The Council shall be responsible for beginning the process to draft a Successor Agreement to this Agreement by no later than January 1, 2013 that will set forth the terms and conditions to govern the management, maintenance and operation of the 25th District Court after the period of transition. After review, revisions, modifications and final approval of the Successor Agreement by the Council, said Successor Agreement shall be approved by an affirmative majority vote by each respective city or its emergency manager by no later than June 15, 2013. The Successor Agreement shall become effective on July 1, 2013.

III COURT LOCATIONS

The Cities agree that the locations of the 25th District Court during the term of transition or until July 1, 2013 shall be as follows:

- The 25th District Court and its Incumbent Judge shall sit at 1355 Southfield Rd., Lincoln Park, MI 48146; and
- There is hereby established a Division 1 Court of the 25th District Court located at the Albert B. Buday Civic Center, 3869 West Jefferson, and Ecorse MI 48229 with one assigned Judge.

IV PERSONNEL

- A. Continuation of Services by Incumbent Judge.** Pursuant to MCL 600.8121 (10) and (11), the incumbent Judge of the 26th District Court is a Judge of the 25th District Court, providing services to same at the Ecorse Division 1 Court site during the period of transition. For the duration of the period of transition, the Incumbent Judge's compensation and health care coverage with the existing provider shall continue through the Ecorse funding unit without interruption. For purposes of MERS (Michigan's Municipal Employment Retirement System) coverage for the Incumbent Judge only, the Incumbent Judge shall remain as an active employee of MERS Division 1 through the Ecorse funding unit, Municipality No. 8206, throughout the period of transition. as approved in 2012 – 2013 Ecorse Division 1 Court site budget. The incumbent Judge's compensation, health care and MERS costs and contributions are expenditures of the operation of the Ecorse Division 1 Court site of the 25th District Court, as reflected in said budget, and shall be shared equally by the River Rouge and Ecorse funding units as set forth below.
- B. Termination of 26th District Court Employees.** All employees and/or Court personnel, with the exception of the Incumbent Judge, of both Division 1 and Division 2 of the Twenty-Sixth District Court and their respective Ecorse and River Rouge funding units are hereby terminated from their employment effective April 1, 2012, pursuant to the operation of Public Act 300 of 2011 abolishing the Twenty-Sixth District Court, inclusive of Division 1 and Division 2. The terminated employees retain no rights under a collective bargaining agreement nor acquire rights to future employment with the named funding units or the 25th District Court.
- C. Employment and Management of 25th District Court Personnel.** During the term of the transition, the employment and management of Court employees and other related personnel shall be determined as follows:
1. The Incumbent Judge of the 25th District Court and the City of Lincoln Park funding unit, in accordance with applicable law, shall have the exclusive power and authority to determine and manage the employment of all Court employees and related personnel required and located at the Lincoln Park site of said Court. The City of Lincoln Park shall be the sole funding source for all Court related personnel located at the Lincoln Park site of the 25th District Court.; and
 2. The Incumbent Judge, formerly of the 26th District Court, and the City of Ecorse and River Rouge funding units, in accordance with law, shall have the exclusive power and authority to determine and manage the employment of all Court related personnel required and located at the Division 1, City of

Ecorse site of the 25th District Court. The City of Ecorse and the City of River Rouge shall be the sole funding sources for all Court related personnel located at the City of Ecorse Division 1 site of the 25th District Court, sharing equally said costs.

V

DISTRIBUTION/DIVISION OF COURT REVENUES AND EXPENSES

A. Revenues and Expenses for Lincoln Park.

1. The Lincoln Park Court site and its funding unit shall be entitled to 100% of all fines, fees and costs assessed for any violation or other matter occurring within the corporate boundaries of the City of Lincoln Park, irrespective of what law enforcement agency issued the violation. The Lincoln Park Court site and its funding unit shall also have the sole financial obligation of all expenditures incurred in the management and operation of the Lincoln Park site of 25th District Court. Lincoln Park shall have no operational funding obligations of whatsoever kind or nature for the Division 1 Court site located in Ecorse.

B. Revenues and Expenses for Ecorse and River Rouge.

1. The City of Ecorse hereby designates the 761 fund as District Court Fund 761. The 25th District Court Division 1 Court and the Ecorse funding unit shall administer District Court Fund 761 in accordance with established accounting standards and practices to accurately manage the monies and accounts of the Division 1 Court.
2. Revenues for each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) received by Division 1 of the 25th District Court, such as, but not limited to fines, fees and costs collected pursuant to Michigan law shall be separately accounted for so that each City is credited with one hundred percent (100%) of all fines, fees and costs assessed therein for any violation or otherwise occurring within its corporate boundaries. The Division 1 Court of the 25th District Court shall submit to the Ecorse funding unit monthly reports by the tenth (10th) day of each month for the month immediately preceding, a detailed schedule showing separately for each City the amount of fines, fees and other costs collected. The Ecorse funding unit shall forward to the City of River Rouge, by the 30th day of the month, a payment for its collected fines and other costs after deducting River Rouge's share of the monthly costs and expenditures for the operation and management of the Division 1 site of the 25th District Court.
3. The City of Ecorse and the City of River Rouge shall share equally (50%/50%) in the total expense and cost to operate and manage the City of Ecorse Division 1 site of the 25th District Court, said expenditures (as described in the Division 1 Court's line item budget), include, but are not limited to, staff salaries, health insurance, if any, and retirement costs, if any. Both the City of Ecorse and the City of River Rouge are entitled to their respective revenues less expenditures as generated from all fines, fees and costs assessed for any violation or other matter occurring within each City's respective corporate boundaries, irrespective of what law enforcement agency issued the violation. To the extent that River Rouge's revenues in a given month fail to exceed its 50% share for Court related expenditures, Ecorse shall submit to River Rouge an invoice for the balance thereof, giving notice of Ecorse's intent to withhold said amount from the following month's revenue payment. To the extent that Ecorse's revenues in a

given month fail to exceed its 50% share for Court related expenditures, a notice shall be generated stating that the balance thereof will be withheld from the following month's revenue payment.

4. Neither Ecorse nor River Rouge shall have any funding obligations of whatsoever kind or nature for the Lincoln Park Court site.

VI MISCELLANEOUS FINANCIAL OBLIGATIONS

A. Appearance Tickets and Other Citations. Each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) shall be financially responsible for supplying their respective Police Officers and other Ordinance Violation Officers with Appearance Ticket and Citation booklets/pads that contain the proper identification of the District Court and its location. This shall not be considered a court operation or management expenditure.

B. Other Notification. Each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) shall be financially responsible for removing inaccurate Court signage on their respective properties and replacing it, where appropriate, with correct Court signage. Additionally, each of the identified cities comprising Division 1 of the 25th District Court shall be financially responsible for providing notification to its respective residents, stakeholders and others within its corporate boundaries of the change to the District Court. This shall not be considered a court operation or management expenditure.

VII TERMINATION

This Agreement terminates by its own terms at midnight, June 30th, 2013 unless a subsequent written agreement states a different date and time and such subsequent agreement is properly executed by all parties hereto prior to the termination date and time and states that it supersedes this Agreement.

VIII APPLICABILITY OF AGREEMENT INTERPRETATION

This contract shall be governed by and interpreted in accordance with the laws of the State of Michigan applicable to contracts made and to be performed in this state.

In the event that any provision contained herein shall be determined by a court of competent jurisdiction or an appropriate administrative tribunal to be contrary to the provision of law or to be unenforceable for any reason, then, to the extent necessary and possible to render the remainder of this Agreement enforceable, such provision may be modified or severed by such court or administrative tribunal having jurisdiction over this Agreement and the interpretation thereof, or the parties hereto, so as to, as nearly as possible, carry out the intention of the parties, considering the purpose of the entire Agreement in relation to such provision.

IX ARBITRATION

Any controversy or claim arising out of or pertaining to this contract shall be settled by arbitration in accordance with the rules of the American Arbitration Association and judgment upon the award rendered in such arbitration may be entered in any court having jurisdiction thereof.

X MODIFICATIONS/CHANGES

Any modification to this Agreement must be in writing and signed by the authorized emergency manager, employee, officer, board or council representative authorized to make such contractual modifications pursuant to the State law and local ordinances.

XI NOTICES

Any and all notices or other communications provided for herein shall be given to the other parties to this Agreement in writing, either by receipted personal delivery or by registered or certified mail, return address requested, addressed to the addressee shown below, unless notice of a change of address is timely furnished in writing to all parties:

- Notices to the City of Ecorse shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to **Joyce A. Parker and Karen L. Folks, City of Ecorse, 3869 West Jefferson Ecorse, MI 48229**, or to such other address as may be designated in writing by the City from time to time.
- Notices to the City of Lincoln Park shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to: **Patricia Diaz Krause and Ed Zelenak at 1355 Southfield Rd., Lincoln Park, MI 48146** or to such other address as may be designated in writing by the City from time to time.
- Notices to the City of River Rouge shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to: **Michael D Bowdler and David A. Bowen at 10600 W. Jefferson Ave., River Rouge, MI 48218** or to such other address as may be designated in writing by the City from time to time.

XII WAIVER

A City's failure to insist upon strict compliance with any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of that term, covenant or condition or of any other term, covenant or condition. Any waiver or relinquishment of any right or power hereunder at any one or more times shall not be deemed a waiver or relinquishment of that right or power at any other time.

XIII WHOLE AGREEMENT

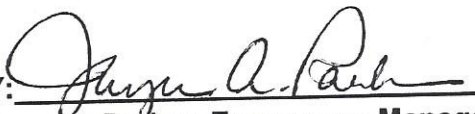
This Agreement supersedes and replaces all previous agreements and amendments thereto made and executed by the Cities, if any, and accordingly, said previous agreements and amendments, if any, are deemed null and void. This written Agreement embodies the entire Agreement between the parties hereto. Any additions, deletions or modifications hereto must be in writing and signed by all Parties.

IN WITNESS WHEREOF, the parties have executed this contract this 12 day of March of 2012.

IN THE PRESENCE OF:



CITY OF ECORSE:

BY: 
Joyce A Parker, Emergency Manager

CITY OF LINCOLN PARK:

BY: _____
Patricia Diaz Krause, Mayor

CITY OF RIVER ROUGE:

BY: _____
Michael D. Bowdler, Mayor

STATE COURT ADMINISTRATIVE OFFICE

BY: _____
Deborah Green, Regional Administrator

AGREEMENT BETWEEN THE CITIES OF ECORSE, LINCOLN PARK AND RIVER ROUGE FOR THE MANAGEMENT AND OPERATIONAL TRANSITION OF THE 25TH DISTRICT COURT

This Agreement, entered into on the 12th day of March, 2012 by and between the Cities of Ecorse, Lincoln Park and River Rouge, hereinafter collectively called the "Cities", is for the purpose of putting in place certain terms and conditions for the management and operational transition of the 25th District Court as set forth below.

RECITALS

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (11), the Twenty-Sixth District Court, which consists of the political subdivisions of Ecorse and River Rouge, is abolished effective April 1, 2012; and

WHEREAS, pursuant to Act 300 of the Public Acts of 2011, specifically, MCL 600.8121 (10), beginning April 1, 2012, the Twenty-Fifth District Court shall consist of the political subdivisions of Ecorse, Lincoln Park, and River Rouge and increase the number of its judges by one to provide for 2 judges for the Twenty-Fifth District, with the additional judgeship filled by the incumbent judge of the twenty-sixth District, who shall become a judge of the Twenty-Fifth District Court for the balance of the term to which he was elected; and

WHEREAS, the Cities desire an orderly transition for the effective and efficient provision of District Court services and, therefore, wish to set forth certain agreed upon components for the management and operation of the 25th District Court during an April 1, 2012 to July 1, 2013 transition time period; and

WHEREAS, Section 2 of Act 35 of the Public Acts of 1951, specifically MCL 124.2 states "any municipal corporation shall have power to join with any other municipal corporation, or with any number or combination thereof by contract, or otherwise as may be permitted by law, for the ownership, operation, or performance, jointly, or by any 1 or more on behalf of all, of any property, facility or service which each would have the power to own, operate or perform separately", providing the Cities with the legal authority to enter into this Agreement; and

WHEREAS, the Cities further recognize Act 154 of the Public Acts of 1968, as amended, Act 374 of the Public Acts of 1996, as amended, as well as Administrative Order No. 1997-6 and any subsequent amendments thereto, as legal authority to enter

into this Agreement for the purposes so stated, including but not limited to the operation, management of the Twenty-Fifth District Court and distributions to the Cities of generated revenues.

NOW, THEREFORE, THE PARTIES TO THIS AGREEMENT, for good and valuable consideration, hereby covenant, promise and otherwise agree as follows:

I TERM OF AGREEMENT

- A. Term Of Transition.** There shall be a term or period of transition that shall begin on April 1, 2012 and continue until its termination at midnight on June 30, 2013 for the purpose of effectively and efficiently addressing all administrative and operational issues inherent in consolidating the above identified political subdivisions or Cities into the existing Twenty-Fifth District Court ("25th District Court") in Lincoln Park, Michigan. This Agreement sets forth the terms and conditions of the operation and management of the 25th District Court during the term of transition and shall govern the Cities' actions concerning said operation and management of 25th District Court through June 30, 2013.
- B. Successor Agreement.** A Successor Agreement shall be drafted by representatives to the 25th District Court Management Council as set forth below. After review, revisions, modifications and final approval of the Successor Agreement by the Council, said Successor Agreement shall be approved by Emergency Manager(s) or an affirmative majority vote of each respective City by no later than June 15, 2013. The Successor Agreement shall be effective beginning July 1, 2013 and govern the operation and management of the 25th District Court.

II ADMINISTRATION

- A. Establishment of "25th District Court Management Council".** There is hereby established the "25th District Court Management Council" (the "Council") which is comprised of the Chief Judge, Incumbent Judge, and one representative from each City to this Agreement, generally, the Mayor, Emergency Manager or his/her Designee. The Council shall have the responsibility of reviewing all financial matters related to the operation of the 25th District Court, including but not limited to the annual budget request, revenue projections, anticipated expenditures for management, operation and maintenance of said Court system, personnel, Court facilities and other related costs, and make recommendations thereon. The meetings of the Council shall be held in compliance with the Open Meetings Act.
- B. Chief Judge Prepares Annual Budget for Review and Recommendation by Council.**

1. Two (2) budgets shall be prepared for the 2012 – 2013 fiscal year for the 25th District Court as follows:

- The Incumbent Judge of the 25th District Court shall prepare a 2012 – 2013 budget for the approval of the Lincoln Park funding unit reflecting only the District Court operations to be conducted at the Lincoln Park site during the term of transition. Operation of the Lincoln Park Court site shall not exceed approved budgeted expenditures.
 - The Incumbent Judge from the 26th District Court shall prepare a 2012 – 2013 budget for the approval of the Ecorse and River Rouge funding units reflecting only the Division 1 District Court operations to be conducted at the Ecorse site during the term of transition. Operation of the Ecorse, Division 1 Court site shall not exceed approved budgeted expenditures.
2. Effective beginning with the 2013 – 2014 fiscal year, the Chief Judge of the 25th District Court shall prepare an annual budget (the “Budget”) in line item detail and submit it to the Council with sufficient time for the Council to meaningfully review and recommend deletions, additions, clarifications, revisions and other modifications, if any.
 3. Upon completion of the Council’s review and recommended revisions, if any, the Council shall approve the 2013 – 2014 Budget as submitted or as revised by the Council. Thereafter, the Budget shall be submitted to the individual Cities for their respective approvals as part of their local budgets. An affirmative majority vote of each City shall be required to adopt and/or modify any submitted Budget.
- C. Frequency of Council Meetings.** The Council shall meet as often as is necessary but no less than on a quarterly basis in any given year. The Council, in its first meeting to be held within ninety (90) days of the execution of this Agreement shall set the schedule of meetings for the year.
- D. Successor Agreement.** The Council shall be responsible for beginning the process to draft a Successor Agreement to this Agreement by no later than January 1, 2013 that will set forth the terms and conditions to govern the management, maintenance and operation of the 25th District Court after the period of transition. After review, revisions, modifications and final approval of the Successor Agreement by the Council, said Successor Agreement shall be approved by an affirmative majority vote by each respective city or its emergency manager by no later than June 15, 2013. The Successor Agreement shall become effective on July 1, 2013.

III COURT LOCATIONS

The Cities agree that the locations of the 25th District Court during the term of transition or until July 1, 2013 shall be as follows:

- The 25th District Court and its Incumbent Judge shall sit at 1355 Southfield Rd., Lincoln Park, MI 48146; and
- There is hereby established a Division 1 Court of the 25th District Court located at the Albert B. Buday Civic Center, 3869 West Jefferson, and Ecorse MI 48229 with one assigned Judge.

IV PERSONNEL

- A. Continuation of Services by Incumbent Judge.** Pursuant to MCL 600.8121 (10) and (11), the incumbent Judge of the 26th District Court is a Judge of the 25th District Court, providing services to same at the Ecorse Division 1 Court site during the period of transition. For the duration of the period of transition, the Incumbent Judge's compensation and health care coverage with the existing provider shall continue through the Ecorse funding unit without interruption. For purposes of MERS (Michigan's Municipal Employment Retirement System) coverage for the Incumbent Judge only, the Incumbent Judge shall remain as an active employee of MERS Division 1 through the Ecorse funding unit, Municipality No. 8206, throughout the period of transition. as approved in 2012 – 2013 Ecorse Division 1 Court site budget. The incumbent Judge's compensation, health care and MERS costs and contributions are expenditures of the operation of the Ecorse Division 1 Court site of the 25th District Court, as reflected in said budget, and shall be shared equally by the River Rouge and Ecorse funding units as set forth below.
- B. Termination of 26th District Court Employees.** All employees and/or Court personnel, with the exception of the Incumbent Judge, of both Division 1 and Division 2 of the Twenty-Sixth District Court and their respective Ecorse and River Rouge funding units are hereby terminated from their employment effective April 1, 2012, pursuant to the operation of Public Act 300 of 2011 abolishing the Twenty-Sixth District Court, inclusive of Division 1 and Division 2. The terminated employees retain no rights under a collective bargaining agreement nor acquire rights to future employment with the named funding units or the 25th District Court.
- C. Employment and Management of 25th District Court Personnel.** During the term of the transition, the employment and management of Court employees and other related personnel shall be determined as follows:
1. The Incumbent Judge of the 25th District Court and the City of Lincoln Park funding unit, in accordance with applicable law, shall have the exclusive power and authority to determine and manage the employment of all Court employees and related personnel required and located at the Lincoln Park site of said Court. The City of Lincoln Park shall be the sole funding source for all Court related personnel located at the Lincoln Park site of the 25th District Court.; and
 2. The Incumbent Judge, formerly of the 26th District Court, and the City of Ecorse and River Rouge funding units, in accordance with law, shall have the exclusive power and authority to determine and manage the employment of all Court related personnel required and located at the Division 1, City of

Ecorse site of the 25th District Court. The City of Ecorse and the City of River Rouge shall be the sole funding sources for all Court related personnel located at the City of Ecorse Division 1 site of the 25th District Court, sharing equally said costs.

V

DISTRIBUTION/DIVISION OF COURT REVENUES AND EXPENSES

A. Revenues and Expenses for Lincoln Park.

1. The Lincoln Park Court site and its funding unit shall be entitled to 100% of all fines, fees and costs assessed for any violation or other matter occurring within the corporate boundaries of the City of Lincoln Park, irrespective of what law enforcement agency issued the violation. The Lincoln Park Court site and its funding unit shall also have the sole financial obligation of all expenditures incurred in the management and operation of the Lincoln Park site of 25th District Court. Lincoln Park shall have no operational funding obligations of whatsoever kind or nature for the Division 1 Court site located in Ecorse.

B. Revenues and Expenses for Ecorse and River Rouge.

1. The City of Ecorse hereby designates the 761 fund as District Court Fund 761. The 25th District Court Division 1 Court and the Ecorse funding unit shall administer District Court Fund 761 in accordance with established accounting standards and practices to accurately manage the monies and accounts of the Division 1 Court.
2. Revenues for each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) received by Division 1 of the 25th District Court, such as, but not limited to fines, fees and costs collected pursuant to Michigan law shall be separately accounted for so that each City is credited with one hundred percent (100%) of all fines, fees and costs assessed therein for any violation or otherwise occurring within its corporate boundaries. The Division 1 Court of the 25th District Court shall submit to the Ecorse funding unit monthly reports by the tenth (10th) day of each month for the month immediately preceding, a detailed schedule showing separately for each City the amount of fines, fees and other costs collected. The Ecorse funding unit shall forward to the City of River Rouge, by the 30th day of the month, a payment for its collected fines and other costs after deducting River Rouge's share of the monthly costs and expenditures for the operation and management of the Division 1 site of the 25th District Court.
3. The City of Ecorse and the City of River Rouge shall share equally (50%/50%) in the total expense and cost to operate and manage the City of Ecorse Division 1 site of the 25th District Court, said expenditures (as described in the Division 1 Court's line item budget), include, but are not limited to, staff salaries, health insurance, if any, and retirement costs, if any. Both the City of Ecorse and the City of River Rouge are entitled to their respective revenues less expenditures as generated from all fines, fees and costs assessed for any violation or other matter occurring within each City's respective corporate boundaries, irrespective of what law enforcement agency issued the violation. To the extent that River Rouge's revenues in a given month fail to exceed its 50% share for Court related expenditures, Ecorse shall submit to River Rouge an invoice for the balance thereof, giving notice of Ecorse's intent to withhold said amount from the following month's revenue payment. To the extent that Ecorse's revenues in a

given month fail to exceed its 50% share for Court related expenditures, a notice shall be generated stating that the balance thereof will be withheld from the following month's revenue payment.

4. Neither Ecorse nor River Rouge shall have any funding obligations of whatsoever kind or nature for the Lincoln Park Court site.

VI MISCELLANEOUS FINANCIAL OBLIGATIONS

A. Appearance Tickets and Other Citations. Each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) shall be financially responsible for supplying their respective Police Officers and other Ordinance Violation Officers with Appearance Ticket and Citation booklets/pads that contain the proper identification of the District Court and its location. This shall not be considered a court operation or management expenditure.

B. Other Notification. Each City comprising Division 1 of the 25th District Court (Ecorse and River Rouge) shall be financially responsible for removing inaccurate Court signage on their respective properties and replacing it, where appropriate, with correct Court signage. Additionally, each of the identified cities comprising Division 1 of the 25th District Court shall be financially responsible for providing notification to its respective residents, stakeholders and others within its corporate boundaries of the change to the District Court. This shall not be considered a court operation or management expenditure.

VII TERMINATION

This Agreement terminates by its own terms at midnight, June 30th, 2013 unless a subsequent written agreement states a different date and time and such subsequent agreement is properly executed by all parties hereto prior to the termination date and time and states that it supersedes this Agreement.

VIII APPLICABILITY OF AGREEMENT INTERPRETATION

This contract shall be governed by and interpreted in accordance with the laws of the State of Michigan applicable to contracts made and to be performed in this state.

In the event that any provision contained herein shall be determined by a court of competent jurisdiction or an appropriate administrative tribunal to be contrary to the provision of law or to be unenforceable for any reason, then, to the extent necessary and possible to render the remainder of this Agreement enforceable, such provision may be modified or severed by such court or administrative tribunal having jurisdiction over this Agreement and the interpretation thereof, or the parties hereto, so as to, as nearly as possible, carry out the intention of the parties, considering the purpose of the entire Agreement in relation to such provision.

IX ARBITRATION

Any controversy or claim arising out of or pertaining to this contract shall be settled by arbitration in accordance with the rules of the American Arbitration Association and judgment upon the award rendered in such arbitration may be entered in any court having jurisdiction thereof.

X MODIFICATIONS/CHANGES

Any modification to this Agreement must be in writing and signed by the authorized emergency manager, employee, officer, board or council representative authorized to make such contractual modifications pursuant to the State law and local ordinances.

XI NOTICES

Any and all notices or other communications provided for herein shall be given to the other parties to this Agreement in writing, either by receipted personal delivery or by registered or certified mail, return address requested, addressed to the addressee shown below, unless notice of a change of address is timely furnished in writing to all parties:

- Notices to the City of Ecorse shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to **Joyce A. Parker and Karen L. Folks, City of Ecorse, 3869 West Jefferson Ecorse, MI 48229**, or to such other address as may be designated in writing by the City from time to time.
- Notices to the City of Lincoln Park shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to: **Patricia Diaz Krause and Ed Zelenak at 1355 Southfield Rd., Lincoln Park, MI 48146** or to such other address as may be designated in writing by the City from time to time.
- Notices to the City of River Rouge shall be deemed sufficient if in writing and mailed, postage prepaid, addressed to: **Michael D Bowdler and David A. Bowen at 10600 W. Jefferson Ave., River Rouge, MI 48218** or to such other address as may be designated in writing by the City from time to time.

XII WAIVER

A City's failure to insist upon strict compliance with any of the terms, covenants or conditions of this Agreement shall not be deemed a waiver of that term, covenant or condition or of any other term, covenant or condition. Any waiver or relinquishment of any right or power hereunder at any one or more times shall not be deemed a waiver or relinquishment of that right or power at any other time.

XIII WHOLE AGREEMENT

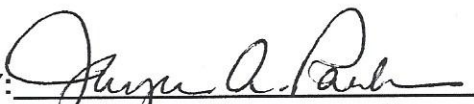
This Agreement supersedes and replaces all previous agreements and amendments thereto made and executed by the Cities, if any, and accordingly, said previous agreements and amendments, if any, are deemed null and void. This written Agreement embodies the entire Agreement between the parties hereto. Any additions, deletions or modifications hereto must be in writing and signed by all Parties.

IN WITNESS WHEREOF, the parties have executed this contract this 12 day of March of 2012.

IN THE PRESENCE OF:



CITY OF ECORSE:

BY: 
Joyce A Parker, Emergency Manager

CITY OF LINCOLN PARK:

BY: _____
Patricia Diaz Krause, Mayor

CITY OF RIVER ROUGE:

BY: _____
Michael D. Bowdler, Mayor

STATE COURT ADMINISTRATIVE OFFICE

BY: _____
Deborah Green, Regional Administrator